

# HOUSE BILL 632

Q3, C2

(1lr1113)

## ENROLLED BILL

— Ways and Means/Budget and Taxation —

Introduced by **Delegates Mizour, Barkley, Bobo, Carr, Dumais, Frick, Gilchrist, Hixson, Ivey, Lafferty, Luedtke, A. Miller, Murphy, Reznik, Rosenberg, Ross, and F. Turner F. Turner, and Howard**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
Speaker.

### CHAPTER \_\_\_\_\_

1 AN ACT concerning

#### 2 **Earned Income Credit Information Act**

3 FOR the purpose of requiring the Comptroller to publish certain information relating  
4 to eligibility for the State earned income tax credit; requiring the Comptroller to  
5 prepare and ~~make available~~ *mail* to *all* employers ~~of~~ *in* the State a certain  
6 notice; requiring an employer to provide certain notification to an employee who  
7 may be eligible for the State earned income tax credit; providing that an  
8 employee may not pursue a private cause of action against an employer for the  
9 employer's failure to provide certain notice; providing for the effective date of  
10 this Act; and generally relating to employee notification of the State earned  
11 income tax credit.

12 BY repealing and reenacting, without amendments,

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#### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics* indicate opposite chamber/conference committee amendments.



1 Article – Tax – General  
2 Section 10–905(a), (b), and (f)  
3 Annotated Code of Maryland  
4 (2010 Replacement Volume)

5 BY adding to  
6 Article – Tax – General  
7 Section 10–913  
8 Annotated Code of Maryland  
9 (2010 Replacement Volume)

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
11 MARYLAND, That the Laws of Maryland read as follows:

12 **Article – Tax – General**

13 10–905.

14 (a) In this Part II of this subtitle the following words have the meanings  
15 indicated.

16 (b) (1) “Employer” has the meaning stated in § 3401 of the Internal  
17 Revenue Code.

18 (2) “Employer” includes:

19 (i) the federal government;

20 (ii) the State;

21 (iii) a county, municipal corporation, political subdivision, or  
22 instrumentality of the State;

23 (iv) another state to the extent that functions of its government  
24 are carried on or performed in this State; and

25 (v) if the employer is a corporation:

26 1. any officer of the corporation who exercises direct  
27 control over its fiscal management; and

28 2. any agent of the corporation who has a duty to  
29 withhold income tax from wages.

30 (f) (1) Except as provided in paragraph (2) of this subsection, “wages”  
31 means salary, wages, or compensation for personal services of any kind as defined in  
32 §§ 3401 and 3402(o)(2)(A) of the Internal Revenue Code.

1           (2) "Wages" includes remuneration paid for services described in §  
2 3401(a)(5) and (6) of the Internal Revenue Code.

3 **10-913.**

4           (A) (1) ON OR BEFORE JANUARY 1 OF EACH CALENDAR YEAR, THE  
5 COMPTROLLER SHALL PUBLISH THE MAXIMUM INCOME ELIGIBILITY FOR THE  
6 EARNED INCOME TAX CREDIT UNDER § 10-704 OF THIS TITLE FOR THE  
7 CALENDAR YEAR.

8           (2) THE COMPTROLLER SHALL PREPARE A NOTICE THAT MEETS  
9 THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION AND ~~MAKE~~ MAIL THE  
10 NOTICE ~~AVAILABLE~~ TO ALL EMPLOYERS IN THE STATE.

11           (B) (1) ON OR BEFORE DECEMBER 31 OF EACH CALENDAR YEAR, AN  
12 EMPLOYER SHALL PROVIDE ELECTRONIC OR WRITTEN NOTICE TO AN  
13 EMPLOYEE WHO MAY BE ELIGIBLE FOR THE EARNED INCOME TAX CREDIT  
14 UNDER § 10-704 OF THIS TITLE THAT:

15                   (I) THE EMPLOYEE MAY BE ELIGIBLE FOR THE FEDERAL  
16 EARNED INCOME TAX CREDIT UNDER § 32 OF THE INTERNAL REVENUE CODE;  
17 AND

18                   (II) THE EMPLOYEE MAY BE ELIGIBLE FOR THE EARNED  
19 INCOME TAX CREDIT UNDER § 10-704 OF THIS TITLE;

20                   ~~(III) THE EMPLOYEE MUST FILE AN INCOME TAX RETURN TO~~  
21 ~~RECEIVE THE EARNED INCOME TAX CREDIT EVEN IF THE EMPLOYEE DOES NOT~~  
22 ~~OWE ANY TAXES; AND~~

23                   ~~(IV) A PORTION OF THE EARNED INCOME TAX CREDIT MAY~~  
24 ~~BE REFUNDABLE.~~

25           (2) AN EMPLOYER MAY PROVIDE THE NOTICE REQUIRED UNDER  
26 THIS SUBSECTION TO:

27                   (I) ALL EMPLOYEES; OR

28                   (II) EMPLOYEES WITH WAGES THAT ARE LESS THAN OR  
29 EQUAL TO THE MAXIMUM INCOME ELIGIBILITY PUBLISHED UNDER SUBSECTION  
30 (A) OF THIS SECTION.

1           **(C) AN EMPLOYEE MAY NOT PURSUE A PRIVATE CAUSE OF ACTION**  
2 **AGAINST AN EMPLOYER FOR THE EMPLOYER’S FAILURE TO PROVIDE THE**  
3 **NOTICE REQUIRED UNDER SUBSECTION (B) OF THIS SECTION.**

4           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
5 January 1, 2012.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.